



The Star-Ledger

Morris towns rage against state aid cuts

Small municipalities take biggest hit in Corzine budget

Wednesday, March 05, 2008

BY PAULA SAHA AND LAWRENCE RAGONESE
Star-Ledger Staff

Should Gov. Jon Corzine's proposed budget make it past the Legislature with all its cuts intact, tiny Victory Gardens will see its state aid slashed by 67 percent. In Netcong, those funds will be just half of what they were last year and Riverdale will lose more than \$200,000 in property tax relief.

TOWN-BY-TOWN BREAKDOWNPAGE 33As predicted, New Jersey's tiniest towns will be hardest-hit by the proposed cutbacks announced last week, and officials across the county -- many in the midst of their budget preparations -- were in despair and confusion yesterday after the state released more detailed figures.

"I'm appalled," said Victory Gardens (population 1,523) Mayor Betty Simmons. "He (Corzine) is hurting the little man. ... I see no benefit in it."

The proposed budget -- which cuts some \$500 million in state spending overall -- cuts state aid for property tax relief completely for towns that have a population of under 5,000 residents, which accounts for eight towns in Morris County. Another eight towns number between 5,000 and 10,000 residents, which means they will see their municipal aid cut in half this year, if Corzine's budget passes unchanged.

Just one Morris County town -- Kinnelon -- would see more state aid, according to the numbers released yesterday. But Kinnelon chief financial officer Norman Eckstein said the 12 percent increase came mostly from a category that was not broken out in numbers released last year, and he was unclear exactly what it would mean for the borough.

The picture was more clear in places like Netcong, where Administrator Ralph Blakeslee said the loss of state aid accounts for about 9 percent of the borough's revenues. "This is just crazy," he said. "The real agenda here is to make us all go away."

Indeed, Corzine's budget provides a pot of \$32 million in grant funds as an incentive for the state's smaller towns to pursue merging or sharing services with neighboring communities. But leaders in town after Morris County town yesterday said that was an unfeasible option that would not solve any of their short-term budget woes.

Mine Hill Mayor Richard Leary noted that merging towns takes time and money. The process can take from three to five years, he said. In the meantime, his town will be seeing nearly 43 percent less aid from the state than it did last year, according to the figures released yesterday.

Should it pass, he said, tax increases were certain. "There's no way around it," he said. "We don't have excessive room in our budget."

Leary noted his town already shared courts, a police department and a school superintendent with neighboring Wharton, and have been working hard to be efficient and merge services.

"It's certainly very disheartening news to many small communities in New Jersey," he said. "There's a lot of them that operate rather efficiently. ... I just hope the Legislature sees the detriment that it is to the residents of this state. It's not a good, sound budget from what I've seen of it."

In neighboring Wharton -- with fewer than 7,000 residents -- Mayor William Chegwiddden agreed. He said his town's drop in state aid, combined with rising costs, could mean a municipal tax hike of as much as 19 percent this year.

Chegwidden said his town is prepared to do its part to help Gov. Corzine correct the state's fiscal woes, but suggested it would be better to deal with the situation more gradually.

"He shouldn't try to do this all in one shot," said Chegwidden. "If it has to be done, tell the towns, let us know in advance. Tell us it has to be done over three years so we can better deal with it, can better plan for it."

But, he added, residents of his town have no desire to merge with other towns. In fact, he said, historically, larger towns broke apart in the 1800s and early 1900s because people wanted smaller, more accountable and more personable government.

In Riverdale -- population 2,676 -- Republican Mayor Bill Budesheim said he was "incensed" by the aid figures. The numbers released yesterday show his town will lose more than \$200,000 in state aid.

Budesheim said the governor was "picking a number out of the air," when he determined that towns with under 5,000 residents would see no aid.

"I believe his actions are arbitrary and capricious, unfair if not immoral," he said. "Why should my residents get penalized because they live in a smaller geographical area?"

And Simmons -- a Democrat in Victory Gardens -- agreed. "He's basically going to put us all out of our homes," she said of Corzine. "I'm totally against it. I just hope other people feel the same way."

Paula Saha may be reached at psaha@starledger.com. Larry Ragonese may be reached at lragonese@starledger.com. Both may also be reached at (973) 539-7910.

© 2008 The Star Ledger

© 2008 NJ.com All Rights Reserved.